

UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF LOUISIANA

CERTAIN UNDERWRITERS SUBSCRIBING	*	CIVIL ACTION
TO GULF COAST MARINE, LLC POLICIES	*	
GCM 14549, GCM 16549, GCM 23096,	*	NO.
GCM 17549 AND GCM 23437	*	
	*	SECTION “ “
VERSUS	*	
	*	DISTRICT JUDGE
MONCLA MARINE, LLC, MONCLA COMPANIES,	*	
LLC, AND MONCLA MARINE OPERATIONS, LLC	*	MAGISTRATE

**COMPLAINT FOR DECLARATORY RELIEF ON BEHALF OF
CERTAIN UNDERWRITERS SUBSCRIBING TO GULF COAST MARINE, LLC POLICIES
GCM 14549, GCM 16549, GCM 23096, GCM 17549, AND GCM 23437**

NOW COMES, through undersigned counsel, Certain Underwriters Subscribing to Gulf Coast Marine, LLC Policies GCM 14549, CMG 16549, and GCM 17549 (“Underwriters”), who file this Complaint for Declaratory Relief pursuant to the Declaratory Judgment Act, 28 U.S.C. §2201, *et seq.*, on the following basis:

1.

The plaintiffs in this matter are Certain Underwriters, each subscribing severally but not jointly, to five separate policies of marine insurance issued through Gulf Coast Marine, LLC (“GCM”), which is a surplus line broker and producer. GCM is neither an underwriter nor an insurance company and is not a party to this litigation. Underwriters consist of domestic and foreign organizations and underwriters of indemnity insurance policies.

2.

Underwriters subscribe to five separate policies of insurance which were issued to Moncla Marine, LLC., et al: Policy GCM 14549, issued to Moncla Marine, LLC, et al. for the policy period

of July 30, 2014 through June 30, 2015; Policy GCM 16549, issued to Moncla Marine, LLC, et al. for the policy period of June 1, 2016 through December 30, 2017; Policy GCM 23096 issued to Moncla Marine for the policy period June 30, 2016 through December 30, 2017; Policy GCM 17549, issued to Moncla Marine, LLC for the policy period of June 30, 2017 through December 30, 2018; and Policy No. 23437 issued to Moncla Marine, et al. for the policy period of December 30, 2017 through June 30, 2019. (Collectively, the “Policies”).

3.

This is an admiralty and maritime case within the meaning of Rule 9(h) of the Federal Rules of Civil Procedure because it involves five separate maritime contracts of indemnity policies. Jurisdiction is based on admiralty and maritime claims as expressed at 28 U.S.C. §1333. Venue of this Court is proper pursuant to 28 U.S.C. §1391(c).

4.

Underwriters wish to disclose and notify the Court that this action is related to three other matters which are pending before this Court: *Jarvis Breaux versus Moncla Workover & Drilling Operations, LLC*, Civil Action No. 6:18-cv-00945, pending before Judge Robert R. Summerhays, and Magistrate Judge Carol B. Whitehurst; *John Wayne Hardy versus Moncla Workover & Drilling Operations, LLC*, Civil Action No. 6:19-cv-00072, pending before Judge Michael J. Juneau and Magistrate Judge Patrick J. Hanna; and *Wilbert Stewart versus Moncla Marine, LLC and Moncla Marine Operations, LLC*,” Civil Action No. 6:17-cv-01260, pending before Judge Michael J. Juneau and Magistrate Judge Carol B. Whitehurst.

5.

This action is related to two other suits which are not pending in this Court: *Evan B. Blanchard and Jennifer L. Blanchard, individually and on behalf of the minor, Madison Blanchard, versus Moncla Offshore, LLC*, Case No. 12871, Division D, pending in the 17th Judicial District Court for the Parish of Lafourche, State of Louisiana; and *Lou Henry v. Key Energy Services, Inc., Moncla Companies, L.L.C. and Moncla Companies, L.L.C. a/k/a Moncla Marine*, Cause No. 2018-70848, pending in the District Court for Harris County, Texas, 55th Judicial District. (Collectively, all five actions are referred to as the “Lawsuits”).

6.

Made Defendants in this matter are Moncla Companies, LLC, Moncla Offshore, LLC, Moncla Marine, LLC, and Moncla Marine Operations, LLC (the “Moncla Litigants”), who are all current defendants in the Lawsuits.

7.

Also made Defendants in this cause are the “Named Assureds” on GCM 14549:

- a) MF Alaska, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 East St. Mary Blvd., Lafayette, LA 70503;
- b) MF Oil & Gas Inv., Inc., a corporation believed to be organized pursuant to the laws of the State of Louisiana, but who may not be registered with the Secretary of State of Louisiana;
- c) Moncla Companies Payroll 2016, L.L.C. (formerly Moncla Companies, L.L.C.), a limited liability company organized pursuant to the laws of the State of Louisiana,

whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;

- d) Moncla Pressure Pumping, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- e) Moncla Coil Tubing, LLC, upon information and belief a limited liability company organized pursuant to Louisiana law;
- f) Moncla Marine, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- g) Moncla Marine Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- h) Moncla Workover & Drilling Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- i) Moncla Workover & Drilling, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- j) Moncla Offshore, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;

- k) Moncla Offshore Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- l) Moncla E-Line Services, Inc. (formerly C&C Perforating, Inc.), a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is S. Joseph Dupuis, Jr., 700 Saint John St., Ste. 401, Lafayette, LA 70501;
- m) Moncla Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- n) Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- o) Moncla Trucking, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- p) Moncla Trucking Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- q) Second 4M, Ltd., for whom Underwriters do not have additional information;

- r) MFNO, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- s) MF Oil Center, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- t) MF Realty, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Michael C. Moncla, 2107 Carmel Dr., Lafayette, LA 70503;
- u) R.W.S. Holdings, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508; and
- v) MF North Dakota, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 2107 Carmel Dr., Lafayette, LA 70501.

8.

Also made Defendants in this cause are the “Named Assureds” on GCM 15549:

- a) Moncla Marine, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;

- b) Moncla Marine Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- c) Moncla Workover & Drilling Operations, L.L.C., formerly Moncla Drilling Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- d) Moncla Workover & Drilling, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- e) Moncla E-Line Services, Inc., formerly C&C Perforating, Inc., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is S. Joseph Dupuis, Jr., 700 Saint John St., Ste. 401, Lafayette, LA 70501;
- f) Moncla Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- g) Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;

- h) Moncla Trucking, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- i) Moncla Trucking Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- j) Second 4M, Ltd., for whom Underwriters have no additional information;
- k) MFNO, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- l) MF Oil Center, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- m) MF Realty, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Michael C. Moncla, 2107 Carmel Dr., Lafayette, LA 70503;
- n) R.W.S. Holdings, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- o) MF North Dakota, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 2107 Carmel Dr., Lafayette, LA 70501;

- p) MF Alaska, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 East St. Mary Blvd., Lafayette, LA 70503;
- q) MF Oil & Gas Inv., LLC, a corporation organized pursuant to the laws of the State of Louisiana, but upon information and belief does not have a registered agent for service of process;
- r) Moncla Companies Payroll 2016, L.L.C., formerly Moncla Companies, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- s) Moncla Pressure Pumping, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- t) Moncla Coil Tubing, LLC, for whom Underwriters do not have additional information; and
- u) Moncla P&A, LLC, for whom Underwriters do not have additional information.

9.

Also made Defendants in this cause are the “Named Assureds” on GCM 17549:

- a) Location Supply & Specialty, Inc., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is L. Charles Moncla, Jr., 950 Birdsong, P.O. Box 653, Lafayette, LA 70507;
- b) Moncla Services, Inc., for whom Underwriters do not have additional information;

- c) Moncla Coil Tubing Well Services, Inc., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is National Registered Agents, Inc., 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- d) Moncla Marine, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- e) Moncla Marine Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is C T Corporation System, 3867 Plaza Tower Dr., Baton Rouge, LA 70816;
- f) Moncla Workover & Drilling Operations, L.L.C., formerly Moncla Drilling Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- g) Moncla Workover & Drilling, L.L.C., formerly Moncla Drilling, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- h) Moncla Offshore, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;

- i) Moncla Offshore Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- j) Moncla E-Line Services, Inc., formerly C&C Perforating, Inc., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is S. Joseph Dupuis, Jr., 700 Saint John St., Ste. 401, Lafayette, LA 70501;
- k) Moncla Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- l) Brothers Oilfield Service & Supply, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- m) Moncla Trucking, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- n) Moncla Trucking Operations, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- o) Second 4M, Ltd., for whom Underwriters do not have additional information;

- p) MFNO, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- q) MF Oil Center, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 St. Mary Blvd., Lafayette, LA 70503;
- r) MF Realty, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Michael C. Moncla, 2107 Carmel Dr., Lafayette, LA 70503;
- s) R.W.S. Holdings, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- t) MF North Dakota, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 2107 Carmel Dr., Lafayette, LA 70501;
- u) MF Alaska, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Matthew G. Moncla, 1023 East St. Mary Blvd., Lafayette, LA 70503;
- v) MF Oil & Gas Inv, LLC, a corporation organized pursuant to the laws of the State of Louisiana, who upon information and belief does not have a registered agent for service of process;

- w) Moncla Companies Payroll 2016, L.L.C., formerly Moncla Companies, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- x) Moncla Pressure Pumping, L.L.C., a limited liability company organized pursuant to the laws of the State of Louisiana, whose agent for service of process is Cade Evans, 2000 Kaliste Saloom Rd., Ste. 400, Lafayette, LA 70508;
- y) Moncla Coil Tubing, LLC, for whom Underwriters do not have additional information; and
- z) Moncla P&A, LLC, for whom Underwriters do not have additional information.

10.

Also made defendants in this matter are:

- a) Jarvis Breaux, a natural person may be served at 103 Berlin St., Apt. D, Lafayette, LA 70501;
- b) Evan Blanchard and Jennifer Blanchard, individually and on behalf of the minor, Madison Blanchard, who may be served at 137 Ida St., Houma, LA 70364;
- c) Lou Henry, who may be served at 314 Verdun St., Lafayette, LA 70501;
- d) John Wayne Hardy, who may be served at 213 Beaconwood Dr., Lafayette LA 70507; and
- e) Wilbert Stewart, who may be served at 1076 Sugarcreek Rd., St. Martinville, LA 70532. (Collectively “Personal Injury Claimants”).

11.

The primary Policies are virtually identical and each incorporates the SP-23 Protection & Indemnity Coverage Form (“P&I Form”). The P&I Form provides, in part:

. . . In respect of any occurrence likely to give rise to a claim under this Policy, ***the Assureds are obligated to and shall take steps to protect their (and/or the Assurers) interest as they would reasonably take in the absence of this or similar insurance***

The Assurer shall not be liable for the cost or expense of prosecuting or defending any claim or suit unless the same shall have been incurred with the written consent of the Assurer, or the Assurer shall be satisfied that such approval could not have been obtained under the circumstances without unreasonable delay, or that such costs and charges were reasonably and properly incurred, such cost or expense being subject to the deductible.

The Assurer shall be liable for the excess where the amount deductible under this Policy is exceeded by (A) the cost of investigating and/or successfully defending any claim or suit against the Assureds based on a liability or alleged liability of the Assureds covered by this Insurance, or (B) the amount paid by the Assureds either under a judgment or an agreed settlement based on the liability covered herein including all costs, expenses of defense, and taxable disbursements.

12.

The primary Policies provide indemnity for “cost, charges, and expenses, reasonably incurred and paid by the Assureds in defense against any liabilities insured against hereunder in respect of the vessel named herein, subject to the agreed deductibles applicable, and subject further to the conditions and limitations hereinafter provided.” As has been confirmed in the jurisprudence, the Policies are indemnity policies.

13.

The Policies require various per occurrence deductibles and annual aggregate deductibles prior to coverage attaching.

14.

The primary Policies provide, in part, that Underwriters will reimburse “all such loss and/or damage and/or expense as the Assured shall as owners of the vessel named herein have become liable to pay and shall pay on account of the liability, risks, events and/or happenings herein set forth...” With respect to legal expenses, Underwriters are “liable for the excess where the amount deductible under this policy is exceeded by (A) the cost of investigating and/or successfully defending any claim or suit against the Assured based on a liability or an alleged liability of the Assured covered by this insurance, or (B) the amount paid by the Assured either under a judgment or an agreed settlement....”

15.

Based on the language in the Policies, Underwriters have no obligation to make any payment unless and until the Named Assureds have made payments equal to or exceeding the deductible and aggregate deductible. Should the Moncla Litigants and/or Named Assureds fail to make payments for covered expenses exceeding the respective deductible and aggregate deductible required by the Policies, there can be no obligation for Underwriters to provide insurance coverage, indemnity nor make any payments whatsoever.

16.

The Policies further declare:

Notwithstanding anything to the contrary contained in this Policy, it is hereby understood and agreed that this Policy excludes liability for fines, penalties, punitive or exemplary damages, including travel damages or any other damages resulting from multiplication of the compensatory damages.

17.

In 2020, Moncla provided notice to Underwriters that certain Moncla entities were allegedly becoming insolvent and would be unable to continue to defend themselves in the above identified Lawsuits. Subsequently, counsel for the Moncla Entities withdrew as counsel of record in the *Blanchard* case on March 20, 2020, in the *Breaux* case on March 17, 2020, in the *Stewart* case on March 18, 2020, in the *Hardy* case on March 18, 2020, and in the *Henry* case on March 17, 2020.

18.

William Patrick, Esq. enrolled as counsel for the Moncla Entities in the *Breaux* case on April 20, 2020. However, Mr. Patrick subsequently filed a Motion to Withdraw on May 26, 2020.

19.

As of this date, the Moncla Entities have no counsel of record representing them in four of the above-identified lawsuits and are not currently defending themselves in any of the Lawsuits.

20.

As noted above, the Policies require the Assured to defend itself in any claim or lawsuit and to take all necessary “steps to protect their (and/or the [Underwriters’]) interests as would reasonably be taken” Because the Moncla Litigants are not currently defending themselves and are taking no other steps to defend their interest, nor Underwriters’ interests, the Moncla Litigants have breached their insurance contract with Underwriters.

21.

As a result of the Moncla Litigants' breach of their insurance contract, Underwriters' interests are being prejudiced. As such, Underwriters are entitled to a declaration that no coverage is owed to the Moncla Litigants and the Named Assureds due to their breach of the insurance contract and that the policies are breached *ab initio*. Should the Court determine that there is any unearned premium which Underwriters should return, then Underwriters will deposit such funds into the registry of the Court for the Named Assureds and the Personal Injury Claimants to seek recovery.

22.

The Named Assureds on the policies also have a contractual obligation pursuant to the Policy to defend, not only the Moncla Entities interests, but Underwriters' interests in any claim or lawsuit. The Policies provide, in part, that "in respect of any occurrence likely to give rise to a claim under the policy, the **Assureds** are obligated to and shall take steps to protect their (and/or the Assurers') interests as would reasonably be taken in the absence of this or similar insurance." The Policies do not differentiate between "Assureds" who are parties to the litigation' and those who are not. All Named Insureds are "Assureds" for the purpose of this provision in the Policies and for complying with the obligations of the Policies.

23.

All Named Assureds are solidarily obligated to defend the Moncla Entities in the Lawsuits pursuant to the terms of the Policies.

The Policies also require the “Assured to....cooperate with the Assurer in the defense of any claim or suit.....” The Moncla Litigants failure to defend themselves constitute a failure to cooperate which is a breach of their obligations in the Policies.

WHEREFORE, premises considered, Certain Underwriters Subscribing to Gulf Coast Marine, LLC Policies GCM 14549, CMG 16549, GCM 23096, GCM 17549 and GCM 23437 pray that, after due proceedings be had, that there be judgment rendered in their favor and against the Defendants at their cost finding that:

1. Moncla Companies, LLC, Moncla Offshore, LLC, Moncla Marine, LLC, and Moncla Marine Operations, LLC have breached their obligations owed to Underwriters in each of the aforementioned policies;
2. Coverage under the Policies is voided as a consequence of Moncla Companies, LLC, Moncla Offshore, LLC Moncla Marine, LLC, and Moncla Marine Operations, LLC’s breach;
3. The Policies are void *ab initio*;
4. There is no obligation under the Policies to provide insurance coverage, indemnity nor make any payments unless and until the defendants have defended the Lawsuits and made payments in excess of the respective deductible and aggregate deductibles;
5. In the alternative, Underwriters pray for a judgment requiring the remaining Named Assureds on the Policies to comply with the contractual obligations of the

Policies, including but not limited to funding and assuming defense of the Moncla Litigants;

6. That Policies do not provide Underwriters coverage for punitive damage; and
7. Underwriters pray for all other further relief as justice and equity of the cause may require and permit.

Respectfully submitted,

STAINES, EPPLING & KENNEY

/s/ Craig W. Brewer

JASON R. KENNEY (#29933)

CRAIG W. BREWER (#23665)

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to Gulf Coast Marine, LLC Policies GCM 14549,
CMG 16549, GCM 23096, GCM 17549 and GCM
23437*